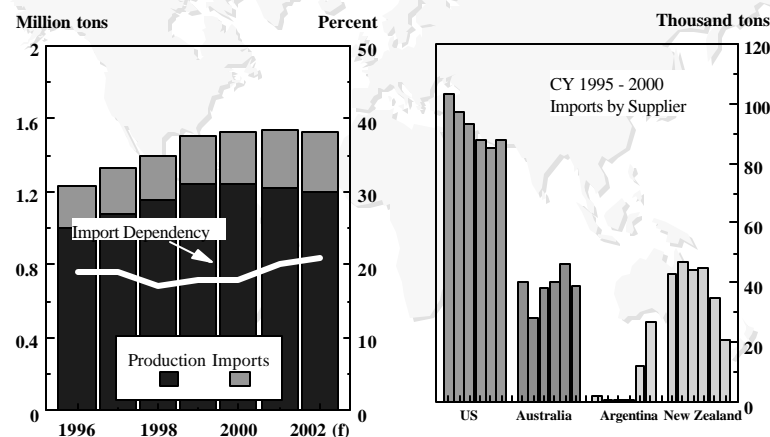


Canada's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	19,048	18,813	18,584	18,284	18,155	18,235	18,395
Slaughter	3,506	3,631	3,768	3,959	3,770	3,670	3,575
Imports	60	44	117	224	324	275	275
Exports	1,513	1,381	1,315	986	943	1,000	1,000
Beef (1,000 tons; carcass weight equivalent)							
Production	998	1,075	1,150	1,238	1,246	1,225	1,200
Imports	238	255	243	265	275	310	325
Exports	334	400	448	515	547	560	575
Consumption	904	930	942	982	980	976	951
Ending stocks	23	23	26	32	26	25	24

* Total supply = beginning inventories + calf crop + imports

Canada's Beef Imports Increase as Domestic Production Falls



Typically viewed as a beef exporter, Canada is also a major importer of beef, as the charts above indicate. Canada's beef production for 2002 is forecast down 2 percent from the previous year to 1.2 million tons as cattle inventories are rebuilding. Strong U.S. cattle prices, relatively low-priced grain, and a favorable exchange rate are expected to continue favoring Canadian cattle exports to the United States in 2002. Beef imports for 2002 are projected at a record level of 325,000 tons with the United States continuing to lead all other suppliers. Beef exports are also forecast at a record level of 575,000 tons, with the United States and Mexico remaining the main markets for Canadian beef. Over 80 percent of Canada's beef exports go to the United States.